

**City of Milpitas
Economic Development Commission
Wednesday, April 30, 2003**

MINUTES

Attendees:

Commission members: Karl Black, Ed.D., Dhaval Brahmbhatt, Frank De Smidt, Joseph Gigantino, Jr., Ray Maglalang, Diane McDonough, Donald Peoples, Michael Pham, Vincent Songcayawon, Christie Gammon (Alternate No. 1) and Tom Tuong Nguyen (Alternate No. 2).

City staff: Thomas Wilson, Blair King, Joe Oliva and Cindy Maxwell.

1. Welcome

Mayor Jose Esteves called the meeting to order at 7:00 p.m. Mayor Esteves welcomed the new Commission members and overviewed his expectations of the Commission. He noted the Commission should have both short and long-term goals and consider issues such as business retention and recruitment and city services and competitiveness. He outlined that staff will provide the Commission with background information focusing on the city's strengths, weaknesses, opportunities and threats.

Tom Wilson, City Manager, answered questions from the Commission noting that the Commission will need to define their information needs and work strategy. Mayor Esteves requested that the Commission receive copies of the Planning Commission agenda. Commissioner Ray Maglalang emphasized the importance of assessing the city's strengths and weaknesses before developing Commission goals.

2. Introductions

Mr. Wilson described the Economic Development Commission as a standing committee that is advisory to the City Council. He noted that appointments to the Commission would only be made by the City Council, which means that members are official representatives for the City of Milpitas. Mayor Esteves stated that he will be the City Council liaison to the Commission and Vice Mayor Dixon will be the alternate Council liaison. Mr. Wilson introduced city staff. The Commission introduced themselves and described their background.

3. Organizational Business

Elections: Mr. Wilson noted the Commission needed to discuss elections. He described the Chair's responsibilities to confer with staff on agenda preparation, provide input to staff on issues and process and to add items to the agendas. He noted the Vice Chair must reliably support the Chair and

that the Commission generally follows a modified Roberts Rules of Order but there is no parliamentarian.

It was the **consensus** of the Commission to hold elections of officers at the next Commission meeting.

Meeting Schedule: The Commission discussed various meeting schedules.

It was the **consensus** of the Commission to hold the next meeting on Monday, May 12, and to further consider a regular meeting schedule. It was agreed that Commissioners would all consult their personal calendars for availability prior to the meeting.

By-Laws: Mr. Wilson indicated that staff would have a first draft of the Commission by-laws for review at the next meeting.

Mr. Wilson also noted that meeting minutes will highlight key Commission dialog and actions but will not provide verbatim transcripts of Commission meetings. An audio recording of meetings will be maintained for additional record keeping purposes. Cindy Maxwell, Principal Analyst, asked the Commission to review the draft Directory of Local Officials page for corrections and additions. She noted that the Commission's terms of office will be determined during the development of the by-laws and that terms of office for Alternates were already established at two years. She described the Alternate's role as a participatory non-voting member and to fill an absent member's seat during a meeting and assume their voting responsibilities.

Commissioner Karl Black, Ed.D., inquired about the applicability of the Brown Act. Mr. Wilson noted the Economic Development Commission is subject to Brown Act requirements for open meetings and agenda postings. He indicated the City Attorney would be asked to provide a brief overview of the Brown Act at a future meeting.

4. Briefing and Workplan

At Commissioner Frank De Smidt's suggestion, it was the **consensus** of the Commission to ask staff to survey other local communities on their major economic development activities.

Commissioner Maglalang reported on his attendance at a recent economic development conference and the successful economic development activities of San Francisco and the San Fernando Valley.

Mayor Esteves emphasized the importance of modifying the City's web site to support economic development work. Blair King, Assistant City Manager, briefly described staff's efforts to enhance the city web site including providing

an inventory of available commercial property. Mr. Wilson suggested that the city's Information Services staff provide a briefing at a future Commission meeting about technology support of economic development goals.

Commissioner Diane McDonough emphasized the importance of developing a vision for the city. Mr. Wilson noted that to support that effort, the Commission would assess the various sectors of the community for strengths, weaknesses, opportunities and threats. The Commission will want to identify the tools that are available or need to be developed and will also consider how the city can best respond to emergencies.

Responding to Commissioner Tom Nguyen, Mr. Wilson noted that the Commission has the use of existing staff resources and any specific budget line item will need to be incorporated and approved by the City Council during the upcoming city budget process.

Commissioner Vincent Songcayawon stated that the Commission should review policy issues, such as the requirement for below market rate housing. Mr. Wilson explained that the Economic Development Commission may review how the city meets State mandates but cannot change the requirement on the city to meet the mandate. He also indicated that the Commission would receive a number of briefings on city projects, processes, tools and policies such as the Mid Town Plan, the Redevelopment Agency, transportation and the Planning Commission.

Commissioner McDonough noted there was a public meeting on the Redevelopment Plan amendment on May 20. It was the **consensus** of the Commission to request staff to provide some background information about the meeting and the Redevelopment Agency before the May 20 meeting. Mr. Wilson described the Redevelopment Agency as very strong and exceeding the activity levels of most other cities.

Mr. Wilson indicated the Redevelopment Agency was a city strength along with retail growth, geographic location appeal to high tech industry, the city's resource dedication for transportation improvements and our residential neighborhoods. Projects that pose challenges for the community are implementation of the Mid Town Plan, Main Street improvement and elimination of at-grade railroad tracks.

Commissioner Dhaval Brahmbhatt stated he felt there was a need for a convention center and he was concerned about the Elmwood jail facilities presence in town. Mr. Wilson summarized the plans for a new library. Commissioner Maglalang emphasized the need for the Commission to complete the community assessment so they can then identify economic development goals. Commissioner Donald Peoples emphasized that it is

important the Commission be kept informed about any economic development related work of other Commissions and staff.

Mr. Wilson indicated staff would provide city budget information as requested by Commissioner Nguyen and a list of past major development projects as requested by Commissioner Joseph Gigantino, Jr. He also noted that staff briefings would include an inventory of city-owned properties. Commissioner De Smidt suggested that the Commission consider and advise the City Council on State legislation that could affect the local economy. Commissioner Peoples suggested that it may be desirable to have subcommittees focus on specific issues or projects. Commissioner Songcayawon requested large binders with monthly indexes for each of the members.

2. Next Meeting

It was the **consensus** of the Commission to begin the May 12 meeting at 6:00 p.m.

Next agenda items: Elections, By-laws, meeting schedule, Brown Act briefing (tentative), City finance overview.

3. Adjournment

It was the **consensus** of the Commission to adjourn the meeting at 8:45 p.m. to May 12 at 6 p.m.

**City of Milpitas
Economic Development Commission
Monday, May 12, 2003**

UNAPPROVED MINUTES

1. Flag Salute

City Manager Tom Wilson called the meeting to order at 7:00 p.m.
Commissioner Don Peoples led the Commission in the Pledge of Allegiance.

2. Roll Call

It was noted that all Commissioners were present: Karl Black, Ed.D., Dhaval Brahmbhatt, Frank De Smidt, Joseph Gigantino, Jr., Ray Maglalang, Diane McDonough, Donald Peoples, Michael Pham, Vincent Songcayawon, Christie Gammon (Alternate No. 1) and Tom Tuong Nguyen (Alternate No. 2).
City staff: Thomas Wilson, Blair King, Kristina Lawson and Cindy Maxwell.

3. Minutes

Motion to approve the minutes as submitted.

M/S: Maglalang/Black Approve: Unanimous

4. Citizens Forum

There were no comments from the public present at the meeting.

3. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Black/De Smidt Approve: Unanimous

4. Elections

Motion to move this item to later on the agenda.

M/S: Peoples/De Smidt Approve: Unanimous

5. Brown Act

Kristina Lawson distributed a May 12 memo on Open Meeting Laws in California. She reviewed the provisions of the Brown Act and noted the Economic Development Commission (EDC) was subject to the Act because it was created by the City Council as a standing committee. She answered questions and discussed the purpose of the Brown Act, described meeting notice requirements, clarified what constitutes a meeting and described a serial meeting. Mr. Wilson noted there were historic legal consequences of Brown Act violations. He encouraged Commissioners to contact staff if there were any questions regarding the Brown Act.

6. Bylaws

Cindy Maxwell, Principal Analyst, reviewed the draft bylaws noting they were based on a format used by other city commissions. Mr. Wilson elaborated on how meetings should be conducted. Commissioner Peoples suggested that members send emails to staff and request that they be distributed to the Commission as a method to provide comprehensive communication without violating the Brown Act. Mr. Wilson suggested communication procedures could be documented in operating policies since they could be flexible and would be easier to amend than the bylaws. He noted consideration of the draft bylaws could be continued to the next meeting.

Commissioner Ray Maglalang suggested the EDC consider establishing term limits. Ensuing discussion highlighted that there were no other Commissions with term limits and that limits would encourage new people and ideas on the Commission.

Responding to Commissioner Vince Songcayawon, Mr. Wilson noted that Ms. Maxwell and other city staff would be the primary staff for the EDC. Commissioner Songcayawon proposed hiring a permanent economic development staff person to help the EDC do a better job of meeting its goals. Mr. Wilson noted that the EDC mission is to advise the City Council and develop a long term Economic Development plan. He confirmed there is an Economic Development Manager position but it is subject to the hiring freeze and under the current economic climate he does not expect to be able to recruit and hire for the position any time in the near future. He described the economic development experience of current staff and explained that all city commissions are staffed by the general workforce. He noted the EDC might want to discuss the creation of dedicated staffing in the future when the EDC's workplan is clarified. Commissioner Maglalang noted that one needs to invest money to make money and encouraged the EDC to plan to discuss this topic more in the future. Assistant City Manager Blair King described his experience in economic development.

Commissioner Black suggested that the Commission consider limiting the length of meetings to two hours unless a vote of the Commission extends the time. Commissioner Peoples suggested members email or phone Ms. Maxwell with any proposed changes to the bylaws before the next meeting. In response to a question from Commissioner Tom Tuong Nguyen, Mr. Wilson noted the formation of subcommittees is usually handled by Commission action rather than requirements in the bylaws. Commissioner Dhaval Brahmbhatt asked how the Commission would communicate with the City Council. Mr. Wilson noted it would either be in written form or a Council agenda item. The Council's action would generally be reported to the EDC by another EDC member or by staff.

7. Elections

Mr. Wilson opened the floor for nominations for Chair. Commissioner Maglalang nominated Commissioner Peoples who declined the nomination because of concerns about the EDC's credibility since he represented a specific sector of the community. Commissioner Vince Songcayawon nominated Commissioner Dhaval Brahmbhatt. Commissioner Peoples nominated Commissioner Diane McDonough.

Motion to close the nominations.

M/S: Songcayawon/Maglalang Approve: Unanimous

A secret ballot was held. McDonough won with five votes and Brahmbhatt received four votes.

Mr. Wilson opened the floor for nominations for Vice Chair. Commissioner Songcayawon nominated Commissioner Maglalang. Commissioner Black nominated Commissioner Brahmbhatt.

Motion to close the nominations.

M/S: Songcayawon/Peoples Approve: Unanimous

A secret ballot was held. Brahmbhatt won with six votes and Maglalang received three votes.

8. Meeting Schedule

There was discussion regarding selecting a regular meeting schedule.

Motion to select the second Monday at 6:00 p.m. as the regularly scheduled meeting day.

M/S: Peoples/Pham Approve: Unanimous

Motion to not hold meetings during the months of July and December.

M/S: Black/Songcayawon Approve: Unanimous

It was noted that the next meeting would be June 9. Commissioner Tom Nguyen inquired if the Commission should meet earlier to get more work accomplished. Commissioner Peoples suggested a subcommittee could be appointed to work through July on the workplan. Mr. Wilson noted a schedule change could be made at the June meeting if needed.

9. Finance & Redevelopment Overview

Mr. Wilson noted a copy of the City Manager's transmittal letter was included in the agenda packet. He described the difference between the operating budget and the capital plan. He discussed the various revenue sources and described the purpose of the Redevelopment Agency. Mr. Wilson said staff

would provide a breakdown on what is happening with the budget. He further discussed the current budget status and revenue forecasting. He noted how the Transient Occupancy Tax is a predictor for local economic forecasting and described how the city is addressing the state's delay in acting on the budget. Mr. Wilson described how property tax revenues are not adequate to provide local services to residential. Mr. King noted that property taxes do not keep up with the rate of inflation.

In response to a question from Commissioner Songcayawon, Mr. Wilson noted that a new tax, like a city transfer tax or utility user tax, would have to be approved by a vote of the residents. He confirmed that property taxes are the only major revenue source to the General Fund that has grown in the last few years.

10. Other Business

Commissioner Brahmbhatt suggested that the EDC have a representative observe the upcoming City Council budget hearing.

11. Adjournment

It was the **consensus** of the Commission to adjourn the meeting at 8:55 p.m. to June 9 at 6 p.m.

**City of Milpitas
Economic Development Commission
Monday, June 9, 2003**

UNAPPROVED MINUTES

1. Flag Salute

Commission Chair Diane McDonough called the meeting to order at 7:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll Call

The following Commissioners were present: Dhaval Brahmbhatt, Frank De Smidt, Joseph Gigantino, Jr., Ray Maglalang, Diane McDonough, Donald Peoples, Michael Pham, Vincent Songcayawon, Christie Gammon (Alternate No. 1) and Tomo Tuong Nguyen (Alternate No. 2). The Chair appointed Commissioner Gammon to sit on the Commission in place of Dr. Black. City staff: Thomas Wilson, Blair King, Joe Oliva, James Lindsay, Greg Armendariz, Terry Medina, Mark Rogge, Alan Rich, and Cindy Maxwell.

3. Minutes

Motion to approve the minutes as submitted.

M/S: Peoples/De Smidt Approve: Unanimous

4. Citizens Forum

There were no comments from the public present at the meeting.

5. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Maglalang/Gigantino Approve: Unanimous

6. By-Laws

Mayor Jose Esteves noted that the representatives from the Chamber of Commerce and the school district would be subject to reappointment the same as the rest of the Commission. It was the consensus of the Commission to have the By-Laws reflect that the Chair and Vice Chair offices would have one-year terms and that the Commission would continue to meet on the second Monday of every month.

Motion to recommend a three-year term for Commissioners.

M/S: De Smidt/Maglalang Approve: Unanimous

Motion to recommend approval of the By-Laws as amended by consensus and motion.

M/S: De Smidt/Pham

Approve: Unanimous

It was the consensus of the Commission to stagger the initial terms of membership as: 3 members at one year; 3 members at two years; and 3 members at three years. A blind drawing was held with the following results:
1 year term: Commissioners Black, Gigantino and McDonough.
2 year term: Commissioners Brahmbhatt, Pham and Songcayawon.
3 year term: Commissioners De Smidt, Maglalang and Peoples.

7. On-Line Commercial Property Project

Blair King, Assistant City Manager, reviewed the on-line commercial property project, noted it was close to implementation, and described it as a forum for the real estate community. Terry Medina, Acting Information Services Director, presented a PowerPoint show illustrating the project. Alan Rich, GIS Project Manager, provided a live demonstration of the Commercial Property Project web page. The Commission made suggestions for the page including adding email addresses and phone numbers for realtors, zoning district, lease terms, and business opportunities such as franchises. Mr. King cautioned that the page needs to be concise and not too complex to minimize staff resources required for maintenance.

Mr. Medina explained that real estate brokers could update the page themselves. Mr. King indicated that this program would enable Milpitas to be more competitive with other cities by providing this as a service to the real estate community and the public. Commissioner Brahmbhatt suggested that the home page icon depicting a residential house might be confusing since this page is exclusively for commercial properties.

Motion: Recommend that the City Council approve the staff implementation of the on-line commercial property and business inventory program on the City web page.

M/S: Songcayawon/De Smidt

The Chair called for discussion on the motion. Commissioner Songcayawon clarified that the word “business” was used in the motion to allow program users to also list businesses or franchises for sale. Commissioner Gigantino emphasized the importance of developing an outreach plan to make realtors aware of the new service and get them to use and maintain the program with accurate data. Mr. Medina noted the City would be able to track the number of visitors to the web page. Mr. King stated that the service would be marketed in part through emails to commercial real estate brokers. Commissioner Maglalang asked that realtor associations beyond Santa Clara County be contacted.

The Chair called for a vote on the Motion. Ayes: Unanimous

8. Briefings

James Lindsay, Planning Department, described the City's Midtown Specific Plan and distributed a brochure about the project. He reviewed sample illustrations and images of future typical building and streetscape designs. Mayor Esteves noted that the City had created a task force and was working on beautifying the neighborhood around Dempsey and Calaveras. Mr. Lindsay noted that often the passage of time is an effective tool to implement redevelopment efforts. The Commission discussed long term maintenance needs for public improvements. Tom Wilson, City Manager, noted that the Midtown Plan is not yet a year old but that it has been well received by the community. Commissioner Pham stated that implementation of the Midtown Plan and Redevelopment Agency activities are good first steps for energizing the Main Street downtown.

Mr. Wilson reviewed housing issues noting that high land values and maximizing land uses around transit facilities is key for Milpitas. He noted housing efforts are focused in the Midtown area with 4,500 to 5,000 additional units planned. Mr. Wilson described past Redevelopment Agency housing activities and clarified that it costs the City more to provide municipal services than the revenue residential development generates. He also noted that recent zoning district changes will increase the value of Main Street property and reviewed current development projects in Midtown. Mr. Lindsay noted that the streetscape plan is under development.

It was the consensus of the Commission to postpone the briefing on Transportation to the next Commission meeting.

Greg Armendariz, City Hall Project Manager, reviewed the history and status of the library building project and described the relocation proposal. Mark Rogge, Principal Civil Engineer, described the history and status of the Senior Center building project. Mr. Wilson described the city's Capital Improvement Program and noted it is an economic development tool.

Motion: At 8:00, extend the Commission meeting an additional 15 minutes.
M/S: De Smidt/Songcayawon Ayes: Unanimous

9. Other Business

Cynthia Maxwell, Principal Analyst, inquired regarding the Commissioners' desires for presentation of their Certificates of Appointment. Commissioners Maglalang and Gigantino asked to have theirs presented at the next Commission meeting. Commissioners De Smidt, Gammon, Brahmabhatt and McDonough will accept theirs at the June 17 City Council meeting. Ms. Maxwell also asked the Commissioners to review their business card proofs and indicated the Commission now had a web page on the City site.

Chair McDonough inquired if any Commissioner was interested in attending a conference in the city of San Jose on Economic Development on June 20. She noted the attendee should report back to the Commission on the conference. Commissioner Maglalang indicated he would like to attend the conference on behalf of the Commission.

Commissioner Peoples asked for clarification of conflict of interest issues for the Commission. Mr. Wilson indicated staff would ask the City Attorney to address the Commission on this matter.

Commissioner Peoples inquired about the process the Commission should use to develop a workplan. Mayor Esteves suggested the Commission identify a short-term project to work on while an overall plan of action is being developed. Mr. Wilson noted the need for the Commission to have more information about the City and to develop a list of short and long-term goals.

Commissioner Brahmbhatt suggested the Commission meet in July. Commissioner Songcayawon suggested the Commission have a tour of the City. He also described his desire for Milpitas to be a beautiful, clean and technologically advanced city.

Motion: Schedule a special meeting for Monday, July 7, 2003 at 6 :00 p.m. at City Hall.

Maglalang/Songcayawon Ayes: Unanimous

The Chair asked that the next agenda include additional briefings and a discussion of short-term goals.

10. Adjournment

Motion: Adjourn the meeting at 8:25 p.m. to July 7, 2003 at 6:00 p.m.

M/S: De Smidt/Pham Ayes: Unanimous

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, July 7, 2003**

UNAPPROVED MINUTES

1. Flag Salute

Commission Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll Call

The following Commissioners were present: Dr. Karl Black, Dhaval Brahmbhatt, Frank De Smidt, Ray Maglalang, Diane McDonough, Donald Peoples, Michael Pham, Vincent Songcayawon, Christie Gammon (Alternate No. 1) and Tomo Tuong Nguyen (Alternate No. 2). The Chair appointed Commissioner Gammon to sit on the Commission in place of Commissioner Gigantino.

Mayor Jose Esteves was present.

City staff: Thomas Wilson, Joe Oliva, Tambri Heyden, Kristina Lawson, and Cindy Maxwell.

3. Announcements

Commissioner Maglalang announced that Neighborhood Night Out would be August 12 and encouraged everyone to participate. Commissioner Peoples announced the Downtown Association would hold their Neighborhood Night Out on August 7.

Cindy Maxwell, Analyst, announced that the City Council considered the Commission's recommendation on the online property program and approved its implementation on July 1. She distributed the Commission's revised bylaws and said they were tentatively scheduled for Council review on August 5. She indicated she would email information about how to get a City identification card and would advise everyone when the business cards are ready.

Commissioner Nguyen reported that he attended a focus group held by San Jose Economic Development and submitted handouts to be distributed to the Commission. Commissioner DeSmidt reported that the San Jose Mayor would be holding a series of meetings on what San Jose can do to create a friendly business environment and suggested that interested Commissioners attend. He provided a copy of an article and asked that it be distributed to the Commission. He also listed economic development activities pursued by the city of Palo Alto.

There was general discussion regarding the large number of educational opportunities in economic development. Commissioner Brahmbhatt announced that Menlo Park was hiring an Economic Development Manager.

4. Certificate of Appointment

Mayor Esteves presented Commissioners Maglalang and Gammon with their Certificates of Appointment.

5. Minutes

Motion to approve the minutes amended to show the start time as 6:00 p.m. rather than 7:00 p.m.

M/S: Black/De Smidt

Approve: Unanimous

6. Citizens Forum

There were no comments from the public present at the meeting.

7. Approval of Agenda

Motion to approve the agenda as revised to have Commissioner Maglalang's report under Other Business moved to precede agenda item no. 10 (workplan process).

M/S: Maglalang/Brahmbhatt

Approve: Unanimous

8. Conflict of Interest

City Attorney Kristina Lawson distributed a memo regarding conflict of interest issues. She provided an overview and encouraged Commissioners to contact the City Attorney's office if there is a question regarding potential conflicts. Commissioner Songcayawon was advised to contact Ms. Lawson to discuss concerns about property ownership and his role on the Commission. Commissioner Peoples stated that it should be acknowledged that all members have an inherent conflict of interest with their work on the Commission. He noted the importance of Ms. Lawson's point that members are not subject to the Political Reform Act because they do not meet the definition of a "public official".

Mr. Wilson emphasized that Commissioners are not public official and have no authority to make final decisions. He noted that Commissioners should be sensitive to situations that may have potential to create a public perception of conflict and to contact the City Attorney's office for clarification. It was suggested that Dr. Black review his role with the City Attorney since he is a public official for another agency.

9. Briefings

Tambri Heyden, Planning Manager, introduced herself and described Milpitas' organization of the planning function, explained the use and function of the

General Plan and Zoning Ordinance. She distributed and reviewed the economic development policies from the General Plan and a table of current land development projects. Ms. Heyden described current projects to develop a Precise Plan and a Transit Area Plan. She also distributed and reviewed demographic information regarding Milpitas.

Joe Oliva, Transportation Planner, described his professional background and reviewed major transportation agencies, current construction projects and planning activities for transportation projects. He answered questions regarding the widening of Calaveras Blvd., parking at BART stations, Stage C and HOV lanes for the I-880/237 interchange, BART schedule and the I-680/880 cross connector study. Mr. Wilson discussed parking concerns on Main Street and in the Midtown area.

10. Other Business

Commissioner Maglalang reported on the “Warming California’s Business Climate” conference that he attended. He distributed a handout of materials from the conference and asked staff to obtain registration information for the Commission and agendize discussion of a forum called “Projections: Silicon Valley 2004”. Conference topics included City permit facilitation, energy issues, workers compensation, and decreasing lease values. The lunch speaker was Norm Mineta who addressed concerns about the security industry.

Commissioner De Smidt commented on the State’s financial ranking and asked that the Commission’s future workplan include advising the City Council on legislative issues. Mr. Wilson noted that the City Council was very actively working on legislative issues related to economic development and municipal finance. He noted the seriousness of workers compensation and energy issues to the business community. Commissioner Brahmhatt stated that California is one of the least-friendly states to business and inquired about the certification of women and minority-owned businesses. Mr. Wilson noted that the State provides the certification for those businesses.

11. Work Plan Process

Ms. Maxwell reviewed a proposed process for developing the Commission’s workplan. Commissioner Maglalang asked that the Commission also take on a short-term project similar to the city of San Carlos’ quality assurance program in the Building Department. Commissioner Black stated that the Commission should complete their SWOT analysis before any type of customer surveying. Mr. Wilson indicated a briefing by the Building Department might be helpful for the Commission.

Commissioner Peoples suggested that subcommittees be formed in the near future to focus on specific issues. He added that the Commission should

measure how the City is progressing economically over time. Commissioner De Smidt asked if the proposed schedule could be accelerated. Chair McDonough noted that the SWOT analysis was needed before short and long-term goals are identified.

Motion: Approve the draft workplan development process allowing the flexibility for the Commission to pursue a short-term project at any time during the process.

M/S: Songcayawon/De Smidt

Discussion on the motion: Commissioner Songcayawon emphasized the importance of pursuing short-term projects that may arise. Chair McDonough suggested a subcommittee could focus on energy issues and alternative power sources. Commissioner Nguyen noted it would be helpful to see some other economic development plans. Mr. Wilson suggested that the Commission needed more briefing on the City's recent economic development efforts and that a subcommittee could focus on potential short term projects. Commissioner Brahmbhatt asked that subcommittees be identified at the September meeting. Commissioner Pham stated that the Commission needed a workplan before subcommittees are identified.

Commissioner Maglalang called for the motion. Ayes: Unanimous

12. Adjournment

Prior to adjournment, Richard Ruth, 1673 Quail Drive, submitted his proposed model work plan for economic development. The Commission thanked him for his efforts and for his interest in the Commission's work.

The Chair adjourned the meeting at 8:25 p.m. to August 11, 2003 at 6:00 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, August 11, 2003**

UNAPPROVED MINUTES

1. Flag Salute

Commission Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

The following Commissioners were present: Dr. Karl Black, Dhaval Brahmbhatt, Frank DeSmidt, Joe Gigantino, Ray Maglalang, Diane McDonough, Donald Peoples, Vincent Songcayawon, and Tomo Tuong Nguyen (Alternate No. 2). The Chair appointed Commissioner Nguyen to sit on the Commission in place of Commissioner Pham.

Mayor Jose Esteves was present.

City staff: Thomas Wilson, Blair King, Joe Oliva, and Cindy Maxwell.

3. Announcements

There was no discussion for this item.

4. Certificate of Appointment

Mayor Esteves presented Commissioner Gigantino with his Certificate of Appointment.

5. Minutes

Motion to approve the minutes as submitted.

M/S: De Smidt/Peoples Ayes: Unanimous

6. Citizens Forum

Kim Chabraya, representing the Milpitas Chamber of Commerce, invited the Commission to attend the upcoming Milpitas Art and Wine Festival.

7. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Black/Brahmbhatt Ayes: Unanimous

8. "Projections" Forum

City Manager, Tom Wilson, reminded the Commission that they did not have a budget but that funding to cover two attendees could be provided to attend the Silicon Valley Manufacturing Group's "Projections" forum to be held September 23. Commissioner Maglalang stated he felt it was important for

Commission members to attend and indicated he would cover the cost for his own attendance.

Motion to approve Commissioners DeSmidt and Songcayawon's attendance at the September 23 forum at the City's cost and request that they provide an oral report at a future Commission meeting.

M/S: Maglalang/Gigantino

Ayes : Unanimous

9. Shenyang

Mayor Esteves introduced the request of the Director of Shenyang New City representative office in San Francisco to explore the possibility of creating some type of working relationship with Milpitas. He indicated the City would not provide a financial commitment but could consider their request to appoint an "Economic Advisor" for the project. Wilson described how the Chinese business and government operating system is different from the US. He noted their officials operate with a different authority and that the Commission's action is advisory to the City Council who will make the final decision. Mayor Esteves suggested that it may be appropriate to appoint a representative for the project and that there is no direct charge or cost to explore their request. The Commission discussed the potential economic development benefits of information sharing between the two cities.

Motion to direct staff to prepare an outline of a possible economic development based relationship between Milpitas and Shenyang New City.

M/S: Songcayawon/Brahmbhatt

Ayes: Unanimous

Commissioner Nguyen noted that Milpitas will probably receive requests from other cities and the Commission may want to create a subcommittee to address them. The Chair suggested that the subcommittee approach be considered after a proposal has been drafted and the Council has provided direction. Commissioner Peoples clarified that the Commission was only gathering information and not making a recommendation on this matter. Commissioner Maglalang noted that economic development representatives work like matchmakers for industries and they can be more productive if a City officially designates them. Mayor Esteves noted he was aware of other non-US cities who had similar interests and suggested that staff draft an outline that is in general in nature and not specific to the present proposal.

10. Economic Development Definition

Principal Analyst Maxwell stated that the first step in the process for developing a workplan was to define the term "economic development" and noted the example definitions provided from other agencies. The Chair read the vision statement drafted by Mr. Richard Ruth and suggested it could serve as the Commission's definition. Commissioner Peoples emphasized the

importance of being able to measure the definition and to clearly define and be able to measure what we are trying to do.

Wilson suggested that a generic definition might best serve the Commission with a more focused mission statement after the Commission has assessed the community's needs. Commissioner Songcayawon offered that economic development is the enhancement of the financial well being of the city and its population. The Chair indicated it is a coalition of business and the private sector working together. Commissioner Brahmabhatt stated that it was important to include the word "growth" in the definition. Commissioner Maglalang agreed with Peoples that the definition needs to be measurable. The Commission discussed process and timing to develop a definition.

Motion to not take any action at this time on defining "economic development" until the Commission has completed its assessment work and has a clearer idea of where it wants to focus its efforts.

M/S: Black/Gigantino

Ayes: Unanimous

11. SWOT Analysis

Mr. Wilson described the purpose and process of conducting a strengths, weaknesses, opportunities and threats (SWOT) analysis. He noted that after the Commission completed their lists, staff would transcribe and fill out and send out to the Commission for review.

Staff recorded the following assessment list developed by the Commission:

Strengths

- Location – "Gateway to Silicon Valley"
- Transportation Accessibility – Roads/public transit/Airport
- Weather
- High per capita Income
- Diverse Employment Base
- Proximity to Institutions of higher Education
- High Tech Utility Infrastructure
- Quality of Life
- Strong Redevelopment Agency
- Comprehensive Planning (Midtown Specific Plan)
- Good Schools
- Large Hotel room supply
- Active Chamber of Commerce/non-profit organizations
- Low Crime rate
- Highly Educated diverse Population
- Responsive local City Government
- High number of Fortune 500 Companies/High tech leadership
- Diverse Retail Base – Great Mall

Weaknesses

- Lack of mixed use
- Lack of a major Hospital
- No higher educational Institutions
- Poor school funding
- High cost of real estate
- Limited number of Professional Services
- High cost of energy and utilities
- High cost of labor
- Location of Elmwood Correctional Facility
- Shortage of Affordable Housing
- High cost of doing business – Workman's Compensation
- No Cultural Center
- Slow Permit Process
- Lack of one-stop Professional Buildings
- Lack of meeting space
- Traffic Congestion
- Residential Blight
- Odors
- Milpitas Image
- No RV Parks
- No Small Business Incubator

Opportunities

- Business Incubator
- BART
- Light Rail Stations
- Midtown
- Trade Center
- Convention Center
- Diverse Community for World Markets
- Strong City Finances
- More Affordable Housing
- Closer relationship between City and MUSD
- Better use of Talent
- Attract future Tech trends = Bio-tech & nanotech
- Vacant parcels and developed properties
- Streamline Permit Process
- Attract high profile businesses
- Improve Tourism

Threats

- State Government Finances – finances/Workman's Comp/RDA
- High cost of doing business – labor/energy/taxes
- FTA Finances
- Business Exodus
- Declining General Fund Revenues
- Competition from surrounding Cities
- High Unemployment – High tech

Commissioner Songcayawon noted he wanted Milpitas to be the cleanest, most beautiful and high tech city in the state. He also proposed a sellers fee on real estate transaction to help cover the cost of neighborhood beautification.

Commissioner DeSmidt asked that a discussion of solutions for the workers compensation problem be agendaized for the Commission's next meeting.

12. Next Meeting

Commissioner Maglalang asked for a list of the City's largest sales tax sources. Mr. Wilson noted staff could provide that list by categories.

Commissioner DeSmidt asked that a Subcommittee be formed to review the building permit and planning review processes. Commissioner Maglalang asked what type of information was gathered from customers evaluating city services.

Mr. Wilson emphasized the importance of the Commission working together as a group and prioritizing their efforts. It was the consensus of the Commission that they would begin prioritization of issues and consider subcommittee organization.

13. Adjournment

The Chair adjourned the meeting at 8:15 p.m. to September 8, 2003 at 6:00 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, September 8, 2003**

UNAPPROVED MINUTES

1. Flag Salute

Commission Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

The following Commissioners were present: Dr. Karl Black, Dhaval Brahmbhatt, Frank DeSmidt, Christie Gammon, Joe Gigantino, Ray Maglalang, Diane McDonough, Donald Peoples, Michael Pham, Vincent Songcayawon, and Tomo Tuong Nguyen (Alternate No. 2).
Mayor Jose Esteves was present.
City staff: Cindy Maxwell.

3. Announcements

Commissioner Peoples announced the Downtown Association would hold a business symposium on October 2 at the Manila Natori restaurant.
Commissioner Maglalang announced the Santa Clara County Association of Realtors would hold a conference and trade show on October 9 at Parkside Hall in San Jose. Commissioner DeSmidt stated that the Chief Building Official invited him to a stakeholder meeting on building permit fees. Mr. De Smidt will represent the Chamber of Commerce at the meeting. Cindy Maxwell, Principal Analyst indicated she would email a series of news articles on meetings the city of San Jose had held on economic development. She also noted that Commissioners De Smidt and Songcayawon were now registered for the Manufacturing Group's Forum on September 23.

4. Minutes

Commission Maglalang asked that page five of the minutes reflect his request to have Great Mall management attend a Commission meeting and brief them on their future plans and any possible needs the city could assist with. Maxwell noted that it might be a few months before the new management is prepared to address the Commission.

Motion to approve the minutes as amended.

M/S: Maglalang/De Smidt

Ayes: Unanimous

5. Citizens Forum

Rob Means, Yosemite Drive, discussed personal rapid transit (PRT) and economic development and distributed a web site address for information on PRT.

Neil MacKenzie, Sunnyhills Neighborhood Association, spoke on the need for banking services in the Sunnyhills area and asked for Commission assistance in recruiting a firm.

6. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Black/Songcayawon

Ayes: Unanimous

7. SWOT Analysis

Maxwell provided an update on the SWOT analysis and described the Commission's task to review their brainstormed list from the last meeting. She noted they would work from a new version of the list that categorized and simplified the original list.

Strengths List

The Commission discussed how Milpitas has easy access to transportation all over the Bay Area and rail lines for industry. The "diverse" employment base was clarified as diverse industries with Cisco, disk drive, IC integrated circuits, LSI Logic, Solectron as a contract manufacturer used as examples. Diversity is also in the Milpitas labor force with predominantly white-collar employees but also blue-collar skilled workers.

The Commission described the local high tech infrastructure, Fortune 500 companies and the hotel market. The need for business retention outreach was identified.

After a lengthy discussion, it was the consensus of the Commission to add "Variety in Housing Values" to the Strengths list.

While discussing "strong local government" the Commission requested copies of the land use development map and suggested that a large one be posted on the conference room wall.

Weaknesses List

The Commission noted how there was no downtown identity for Milpitas though there is the potential for redevelopment in the Midtown area. Mayor Esteves asked that the list include that there is no historical museum or offices of state and federal agencies in town. It was clarified that the "cultural center" meant a performing arts theatre. The Commission asked that the need for freeway landscaping and gateway aesthetics be added to the

“Milpitas Image” description and convention center be added to the “Missing” list. Commissioner Black described the funding difference between a basic aid school district (Palo Alto) and an ADA district (Milpitas).

Motion to finish the discussion of the SWOT list at this meeting and continue agenda item number 10 (Customer Feedback Methods) to the next Commission meeting.

M/S: Brahmbhatt/Peoples

Approve: Unanimous

Opportunities List

The Commission added “trails master plan” to the “On the Horizon” list and deleted “Better use of talent”.

Threats List

The Commission deleted “RDA drain” from the “State Government Finances” list.

8. Agenda Schedule

Maxwell reviewed the agenda schedule for the next five months. There was discussion regarding the workplan process.

Motion to add to next meeting’s agenda a discussion of subcommittees and establishing them if appropriate.

M/S: Peoples/De Smidt

It was noted by the makers of the motion that the discussion may be early in the process but would help the Commission develop ideas of major topics that may need to be focused on. Commissioner De Smidt said that an example of a subcommittee could be identifying incentives for business retention or studying workers compensation issues. Commissioner Songcayawon stated that the Commission needs to identify its goals and strategies first.

Call for the motion to discuss subcommittees at the next meeting:

Ayes: Black, Brahmbhatt, DeSmidt, Gigantino, Maglalang, McDonough, Peoples, Pham

Noes: Songcayawon

Motion to extend the October 13 meeting to 8:15 p.m. if needed to facilitate the Commission’s workplan development discussions.

M/S: Brahmbhatt/Peoples

Ayes: Black, Brahmbhatt, DeSmidt, Gigantino, Maglalang, McDonough, Peoples, Pham

Noes: Songcayawon

9. Shenyang Request

Maxwell noted that draft guidelines for international requests for establishing economic development relationships were included in the agenda packet. The Mayor requested that the first sentence also allow local agencies working with a foreign city to make requests. He also recommended that the requests be forwarded directly to the Economic Development Commission and not the Sister Cities Commission and that a Memorandum of Understanding (MOU) be created to establish the relationship. He emphasized the importance of working with local groups and not making any financial commitment for the city.

Maxwell reported information and considerations she had acquired from city of San Jose staff who advised caution to avoid offending existing sister cities or sister city applicants from China. Vice Chair Brahmbhatt suggested that staff contact the city of San Francisco for information on international economic development relationships. Maxwell noted the importance to maintain coordination between the Sister Cities program and international economic development activities.

10. Workers Compensation

Motion to extend the meeting an additional 10 minutes to conclude at 8:10 p.m.

M/S: Gigantino/DeSmidt

Ayes: Unanimous

Commissioner DeSmidt summarized major workers compensation issues and noted California's costs were 200-500% higher than in other states. He also gave a status report on current legislation. Commissioner Gigantino noted that the Commission could get more information from the web page for the National Federation of Small Businesses. He suggested that this issue might be appropriate for a subcommittee.

11. Adjournment

The Chair adjourned the meeting at 8:15 p.m. to October 13, 2003 at 6:00 p.m.

Respectfully submitted,
Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, October 13, 2003**

UNAPPROVED MINUTES

1. Flag Salute

Commission Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dhaval Brahmbhatt
Frank DeSmidt
Joe Gigantino
Ray Maglalang
Diane McDonough

Donald Peoples
Michael Pham
Vincent Songcayawon
Tomo Tuong Nguyen (Alt. No. 2).

Mayor Jose Esteves (Council Liaison)

Commissioners Absent:

Dr. Karl Black

Christie Gammon (Alt. No. 1)

City Staff Present: Thomas Wilson, Joe Oliva, Cindy Maxwell.

The Chair seated Alternate Tomo Tuong Nguyen in Commissioner Black's seat.

3. Announcements

Commissioner Gigantino noted he recently met with the economic development staff of Gilroy. Commissioner Peoples indicated he has a contact at the Great Mall's new owners, the Mills Corporation and that Santa Clara County is looking for a location for a medical facility. City Manager Tom Wilson noted that the Mayor and Vice Mayor met with the Mills Corporation's General Manager last week. Cindy Maxwell, city staff, noted a white paper on Nanotechnology was included with this month's agenda packet for the Commission's information.

4. Minutes

Motion to approve the minutes as submitted.

M/S: Maglalang/Songcayawon

Ayes: Unanimous

5. Citizens Forum

Commissioner Maglalang circulated a marketing handout from the city of Fremont.

6. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Songcayawon/Peoples Ayes: Unanimous

7. SWOT Analysis

Maxwell provided an update on the SWOT analysis and described the Commission's task to review and prioritize the revised list from the last meeting. The Commission discussed at length the need for prioritization. The list was prioritized using a series of hand votes as follows:

Strengths

1. Excellent location
2. Housing
3. High quality of life
4. Strong local economy
5. Strong local government

Weaknesses

1. Milpitas' image
2. Missing or in short supply
3. Housing supply needs
4. Slow land development permit process
5. Regional weaknesses
6. Poor school funding

Opportunities

1. Desirable uses
2. Business retention
3. Community characteristics
4. On the horizon
5. Land development
6. Schools

Threats

1. High cost of doing business
2. Recession
3. City budget
4. State government finances
5. VTA services and finances

8. Goals

Mr. Wilson suggested hiring an economic development professional to assist with identifying goals and preparing the City's Economic Development Plan. He noted the consultant could assist with identifying short term goals (3 to 4 years) and long term goals (10 years). He advised that the City Council would need to approve the concept of hiring a consultant. Commissioner Songcayawon indicated he would prefer to have a full time staff person devoted to economic development. Mr. Wilson noted that staffing could be evaluated when the Plan gets to implementation. He described the selection process for a consultant and noted the Commission could be involved in helping to develop the scope of services.

Motion: Recommend the City Council approve the concept of hiring an economic development consultant to assist the Commission with developing the City's Economic Development Plan.

M/S: Gigantino/DeSmidt

Ayes: Unanimous

9. Customer Feedback Methods

It was the consensus of the Commission to forward this report to a possible subcommittee.

10. Forum Report

Commissioners DeSmidt, Maglalang and Songcayawon reported on the September forum "Projections: Silicon Valley 2004" by the Silicon Valley Manufacturing Group. Commissioner Songcayawon distributed handouts.

11. Subcommittees

Commissioner Dhaval discussed why there should be a subcommittee on nanotechnology. Commissioner Peoples suggested that business incentives are an important issue needing further study and analysis. It was the consensus to consider establishing subcommittees for: Business Incentives/Nanotechnology; Business Retention; Legislation/Workers Compensation; Milpitas' Image and the City's Permit Process. Maxwell indicated she would canvas the Commissioners on preferred subcommittees. Commissioner Songcayawon explained that subcommittees were premature and should not be pursued until the economic development plan was completed. There was discussion regarding the role of the subcommittees to educate and inform the Commission and to help them focus on issues. Commissioner Peoples suggested that the subcommittees complete their work within three months.

Commissioner DeSmidt reported on the status of the building fees task force, proposed fire fee changes and that there may be recruitments for some Planning Dept. jobs.

Adjournment

The Chair adjourned the meeting at 8:25 p.m. to November 10, 2003 at 6:00 p.m.

Respectfully submitted,

Cynthia Maxwell, Principal Analyst

**City of Milpitas
Economic Development Commission
Monday, November 10, 2003**

UNAPPROVED MINUTES

1. Flag Salute

Chair Diane McDonough called the meeting to order at 6:00 p.m. and led the Commission in the Pledge of Allegiance.

2. Roll

Commissioners Present:

Dr. Karl Black

Dhaval Brahmbhatt

Christie Gammon (Alt. No. 1)

Joe Gigantino

Diane McDonough

Donald Peoples

Michael Pham

Vincent Songcayawon

Tomo Tuong Nguyen (Alt. No. 2).

Mayor Jose Esteves (Council Liaison)

Commissioners Absent:

Frank DeSmidt

Ray Maglalang

City Staff Present: Thomas Wilson, Blair King, Cindy Maxwell.

The Chair seated Alternates Tomo Tuong Nguyen and Christie Gammon.

3. Announcements

Cindy Maxwell, city staff, noted an article from the Business Journal was distributed for the Commission's information. She also stated that the Milpitas High School Digital Academy is in need of internship opportunities for its students. Chair, Diane McDonough, congratulated the City on its significant accomplishments financing and selling redevelopment bonds. Mayor Esteves invited the Commission to attend the Veterans Day Ceremony the next day.

4. Minutes

Motion to approve the minutes as submitted.

M/S: Songcayawon/Pham

Ayes: Unanimous

5. Citizens Forum

There were no comments from the public present at the meeting.

6. Approval of Agenda

Motion to approve the agenda as submitted.

M/S: Brahmbhatt/Songcayawon

Ayes: Unanimous

7. Consultant Scope of Work

Ms. Maxwell reviewed the Request for Qualifications (RFQ), for an economic development consultant, with the Commission and asked for comments. City Manager Tom Wilson answered questions regarding the selection process. He also clarified the Commission's role with the consultant to provide input, review products and draft documents. It was noted that the Commission will be directly involved throughout the development of the economic development plan and a detailed project schedule will be defined as one of the first steps in the work program.

Mayor Esteves asked that the Commission's role be clarified in the project's work program and that development of an implementation plan provide an update process and be included in the scope of work. He asked that the deliverables be well specified. Vice Chairman Dhaval Brahmbhatt asked that an operational plan be prepared that implements the identified strategy.

Motion to recommend approval of the RFQ to the City Council.

M/S: Songcayawon/Brahmbhatt

8. Subcommittee Reports

A. Business Incentives & Retention

Commissioner Don Peoples reported that the Subcommittee included Commissioners Brahmbhatt, Gammon, Pham and himself. He indicated they hadn't yet held any official meetings and they needed to do a lot of research. Vice Chairman Brahmbhatt and Commissioner Peoples discussed their research on the nanotechnology sector noting their contacts, the industry's needs for space and costs, available funding and location incentives. Commissioner Peoples noted that the Subcommittee would develop a work plan.

B. Legislation

Commissioner Joe Gigantino reported that during the next few months, the subcommittee would closely monitor and evaluate the new State administration's actions and report back to the Commission.

C. Profile

Commissioner Songcayawon described the purpose of the subcommittee. Dr. Black discussed a possible research survey to help determine what businesses want and to help focus efforts to attract and retain businesses in Milpitas. Commissioner Christie Gammon noted that the survey would be a significant research tool. Vice Chairman Brahmbhatt

described several location incentives currently available for businesses. Mr. Wilson noted that Milpitas probably doesn't meet the State's qualification criteria for enterprise zones but that the economic development plan can evaluate the usefulness of other incentives.

9. Customer Feedback Methods

Ms. Maxwell reviewed the information included in the Commission's agenda packet. Mr. Wilson noted that staff performance is monitored by department managers. He described how individuals might independently complain to council members rather than submitting written complaints with city staff. Usually complaints are resolved before they reach the stage of written documentation. He described how the city strives to respond to complaints within 24 hours, explained that no overall city performance survey has been done recently due to costs and indicated there are no recent trends in complaints except in the area of odors.

Commissioner Gigantino stated that it would be helpful to have a process to track complaints. Mr. Wilson discussed state legislation regarding accessory housing units that could challenge the integrity of single-family neighborhoods. Commissioner Gigantino described challenges of business location efforts. Mr. Wilson noted that sometimes real estate brokers do not understand the local building and planning processes, which can constrain the client's plans. He emphasized the importance of developers having consultants that are experienced and knowledgeable of the local market and regulations to assist them with their projects.

10. Next Meeting

It was noted that the next meeting of the commission would be Monday, January 12, 2004 at 6:00 p.m.

11. Adjournment

The Chair adjourned the meeting at 7:30 p.m.
Respectfully submitted,
Cynthia Maxwell, Principal Analyst